

# MINERVA



## **Capital Markets Workshop 2016**

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Minerva

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# Introduction

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- Case Studies: Similarities & Differences
- London Markets: Main Market, AIM & ISDX
- Not Just About the IPO: Before & After
- Role of the Fiduciary Services Provider
- Minerva in Asia

# Case Studies



Similarities?

# Case Studies



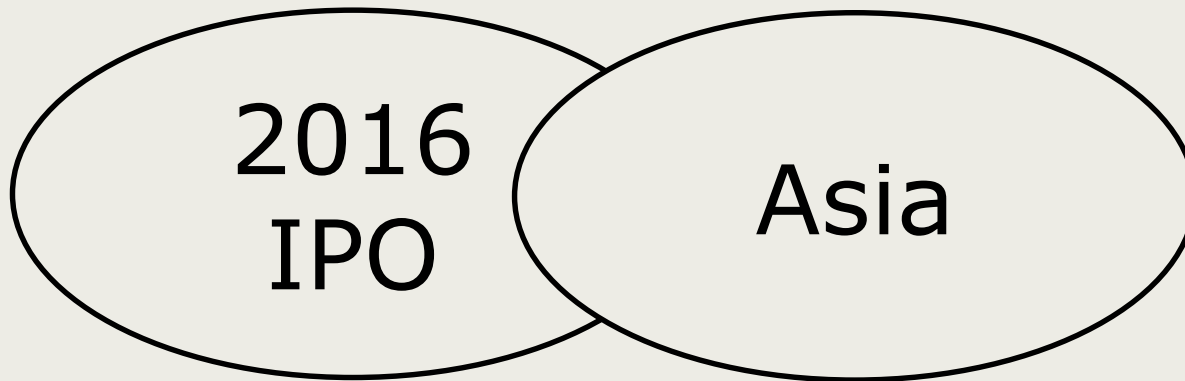
Similarities?



# Case Studies



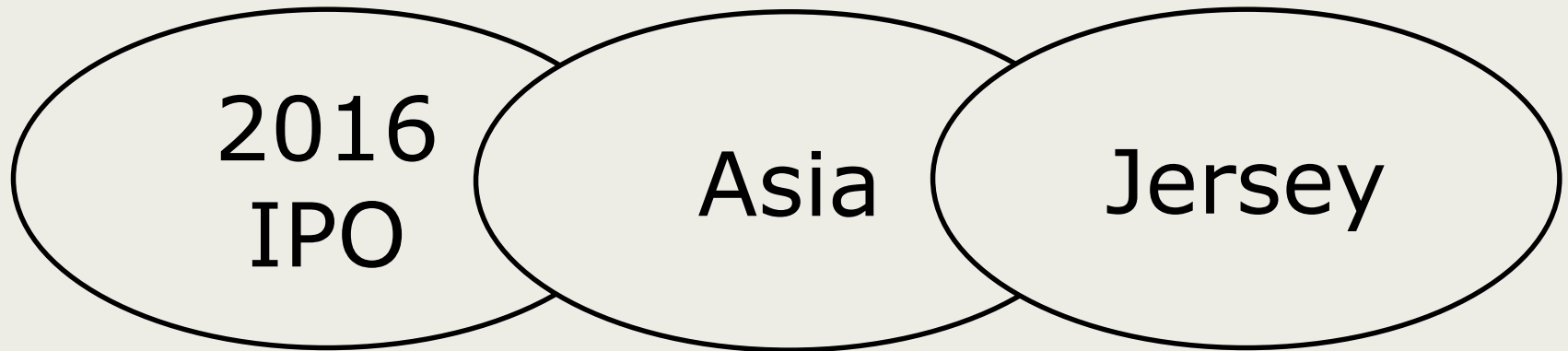
Similarities?



# Case Studies



Similarities?



# Jersey Holding Company

## **Why is there a recent trend for choosing Jersey?**

- Jersey has more companies listed on AIM than any other OFC
  - Geographically close to London – well connected
  - Corporate laws are familiar and flexible
  - Strong corporate governance
  - Straightforward tax neutral environment
  - Politically stable
  - AA rated by Standard and Poors
  - OECD rate Jersey as a co-operative international finance centre
  - Very positive Moneyval conclusion
- 
- Investors in London listed Jersey Co's protected by UK Takeover Code
  - Company shares can be traded without the need for depository interests

***Ultimately, this contributes to the chances of the IPO successfully raising the funds required which has to be the primary consideration***

# BREXIT & Jersey

- Jersey investment flows into the UK and the rest of the EU amount to some £800 billion
- UK is Jerseys most significant trading partner
- Jersey will have no direct hand in the negotiations for a new framework of relations between the UK and the EU





# BREXIT – Jersey relations with EU

- Jersey is not a member of the EU but is subject to some EU legislation and gains access to EU markets granted after assessment of equivalent regulatory (and other) standards
- Over £200 billion of assets managed in Jersey originated from EU markets (excluding UK) and around 22% of total assets managed put to use in EU
- Jersey's finance industry expects its relationship with the EU, in terms of market access, to continue largely unaffected
- Jersey already facilitates significant investment into the EU. It is difficult to see what incentives BREXIT will create for the EU to move towards more protectionist policies to prevent this in the future.

# BREXIT – Jersey relations with UK

- Jersey is a dependency of the British Crown but not part of the UK. Has own elected government and retains responsibility for all matters apart from defence and international diplomacy
- One of the UK's closest trading partners, irrespective of the UK's membership of the EU.
- £1.6 billion in goods & services from UK, £1.2 billion in exports
- Value held in Jersey trusts, banks, funds & SPVs invested in UK assets totals half a trillion GBP and represents 5% of the UK total of foreign owned assets. This investment is estimated to support 180,000 UK jobs

# BREXIT – Jersey relations with UK

- Constitutional relationship to the UK exists outside the UK's membership in the EU. Therefore UK withdrawal should have no effect on Jersey's relationship with the UK
- Importance of FDI flows to the UK should not be underestimated. UK trade and investment have reported that the UK is the largest net recipient of FDI flows in Europe, a large amount of that sourced from the EU. Jersey likely to have an increasingly important role to play going forward.
- Jersey's has global position in terms of FDI and assets under management, much of which is invested into the UK. The UK may be likely to seek to build new, non EU trading relationships in a post-Brexit world. Jersey likely to have a key role in facilitating increasingly geographically diverse cross-border investment flows into the UK.
- Jersey's may become even more valuable as a key trading partner for the UK in the future.

# In absolute summary

- Jersey's constitutional relationship with the UK will not be affected by the result of the referendum, nor is it envisaged that the Brexit will impact on Jersey's existing market access rights.
- The traditional strengths of the UK should result in it continuing as a major financial centre and a desirable location for foreign investment.
- Jersey is one of the UK's closest trading partners, irrespective of the UK's membership of the EU. Jersey likely to have a key role in facilitating increasingly geographically diverse cross-border investment flows into the UK.
- All advantages for choosing a Jersey holding company for a London listing remain as covered in the earlier slide.

# Case Studies

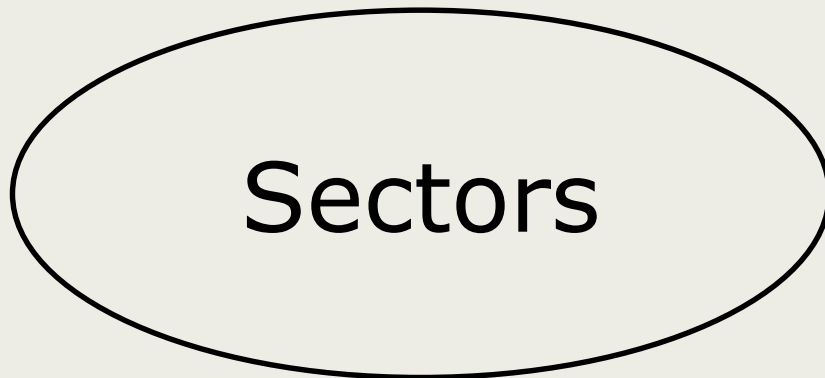


Differences?

# Case Studies



Differences?



# Case Studies



Differences?



# London Markets



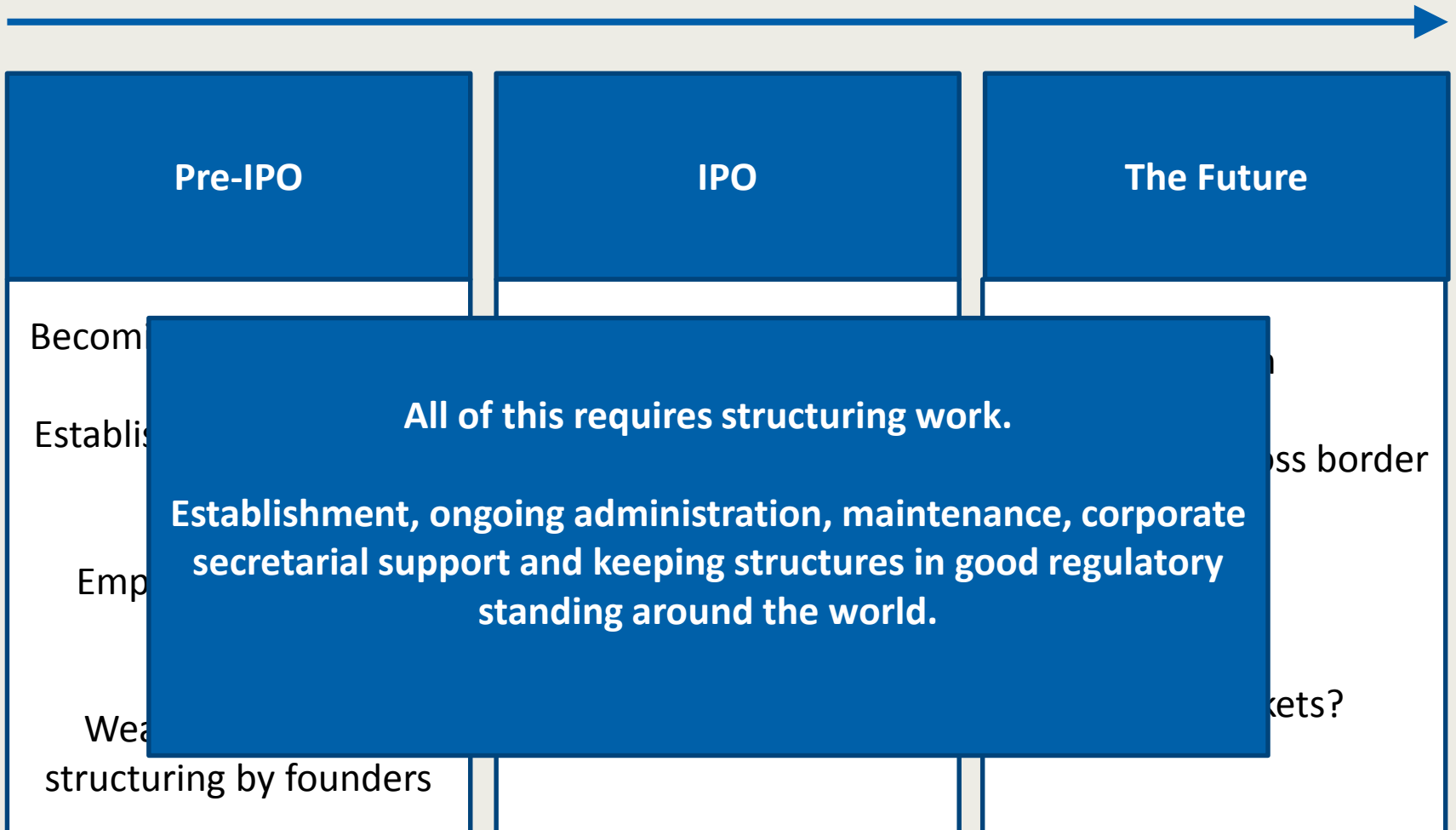


# Not Just About the IPO



Pre-IPO	IPO	The Future
<p>Becoming Investor Ready</p> <p>Establishment of holding company</p> <p>Employee Incentive Schemes</p> <p>Wealth planning &amp; structuring by founders</p>	<p>Fund raising</p> <p>Implementation</p> <p>“Getting it done”</p>	<p>Growth</p> <p>Acquisition / Cross border M&amp;A?</p> <p>FPO?</p> <p>Other Markets?</p>

# Not Just About the IPO



# Role of Fiduciary Services Provider

Can include:

- Formation / incorporation of relevant legal entities
- Company secretarial services and registered office
- Provision of non executive directors
- Ongoing administration including processing transactions, maintenance of statutory and corporate records and undertaking filings
- Board meeting facilitation and support
- Book-keeping and preparation of financial statements in accordance with International Financial Reporting Standards (IFRS) or other relevant accounting framework and arrangement of annual audit
- Management of banking facilities

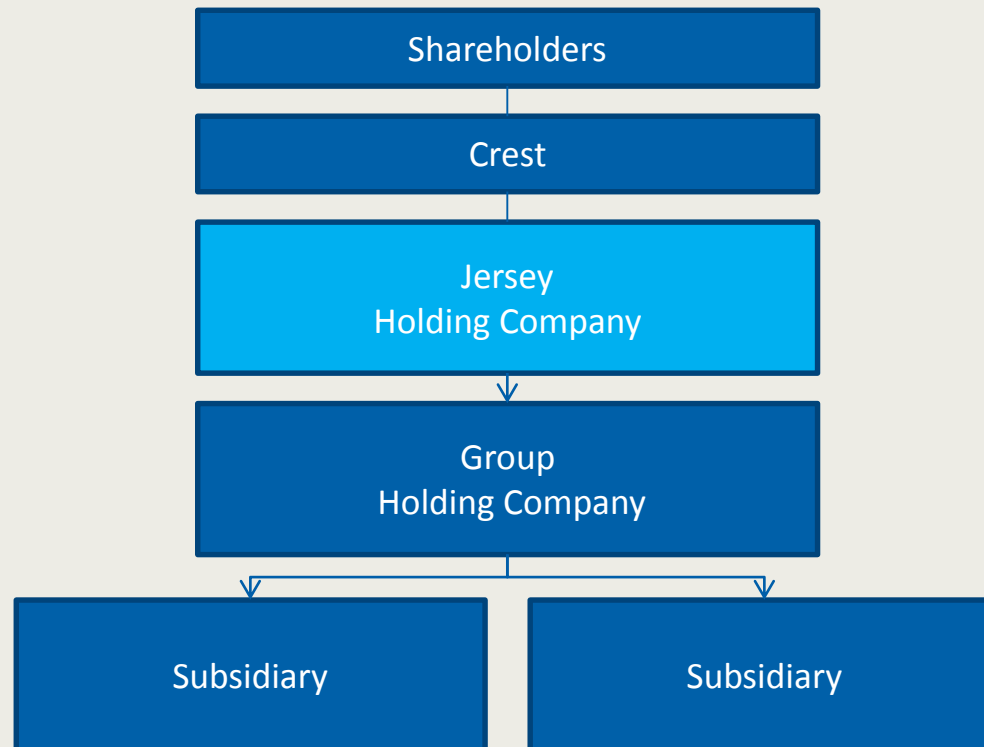
# Role of Fiduciary Services Provider

Continued:

- Similarly, trustee services or related services for pre-IPO wealth structures, investment holding structures or related arrangements
- Co-ordination of advice from local and international lawyers and tax and other advisors
- A key partner throughout the process and beyond – key considerations

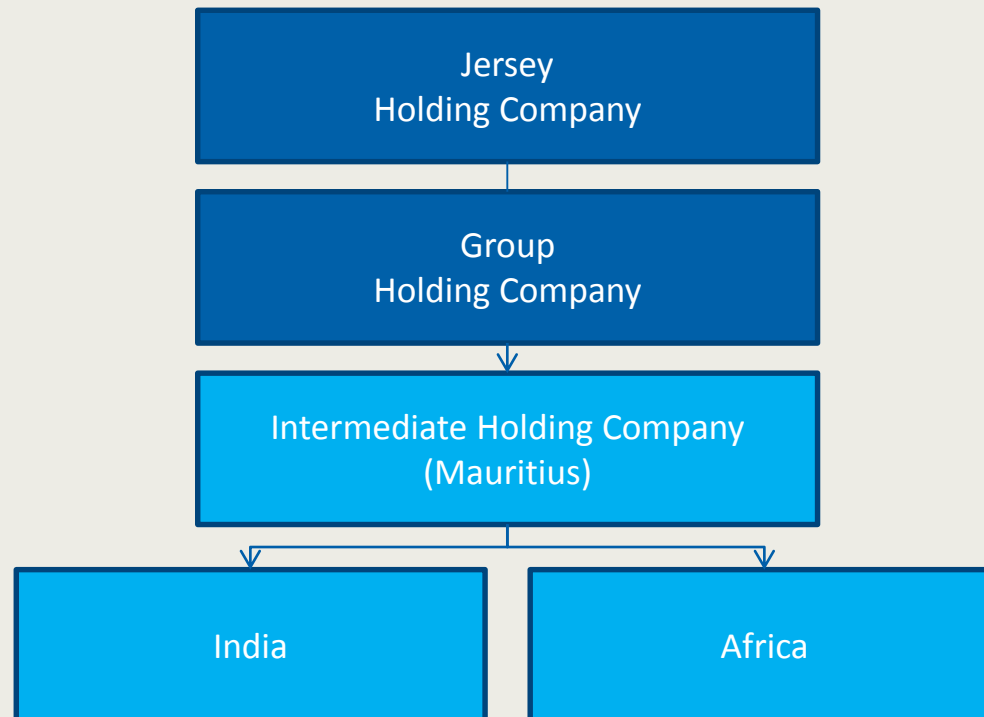
# Case Study

IPO

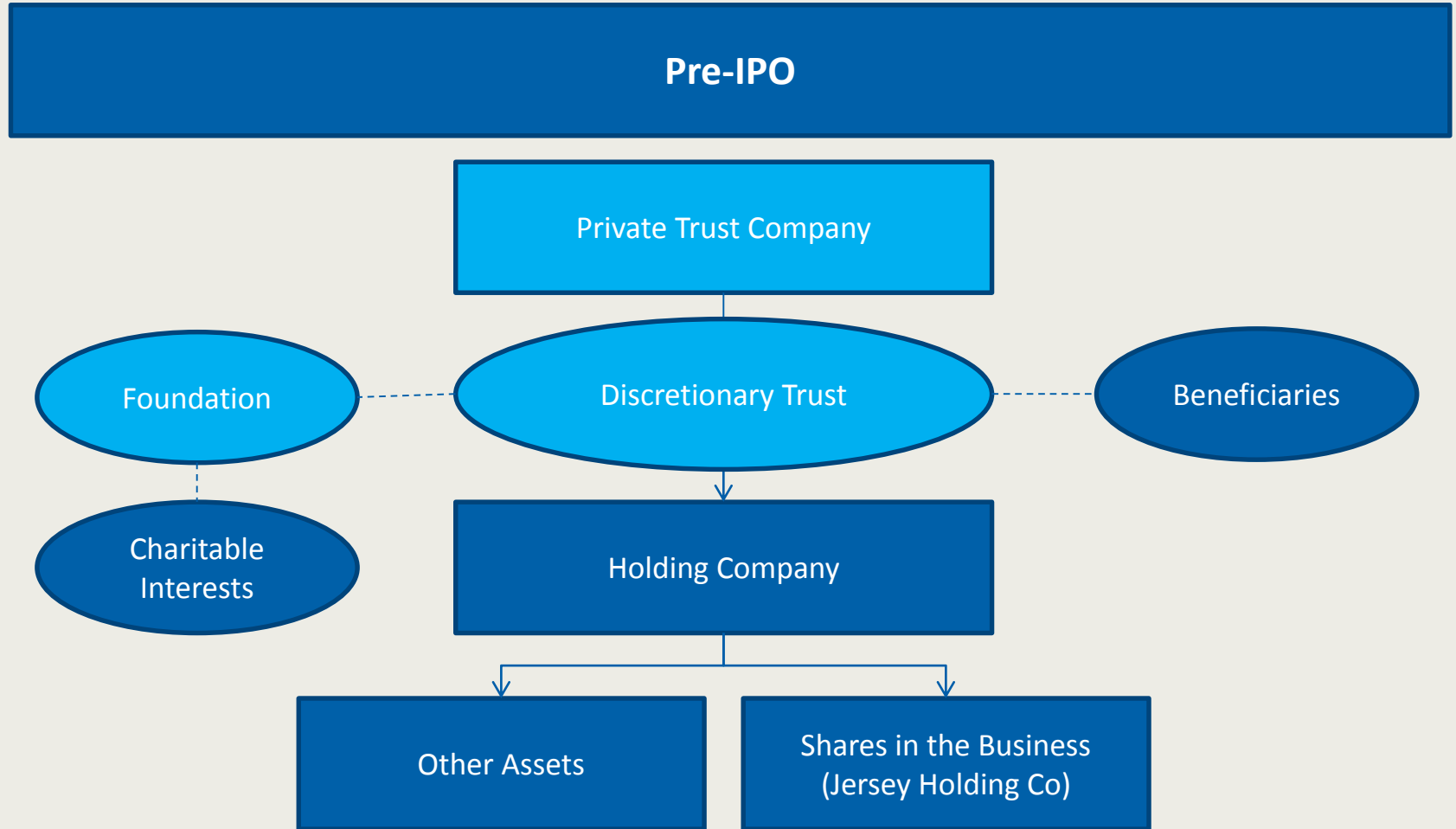


# Case Study

## The Future

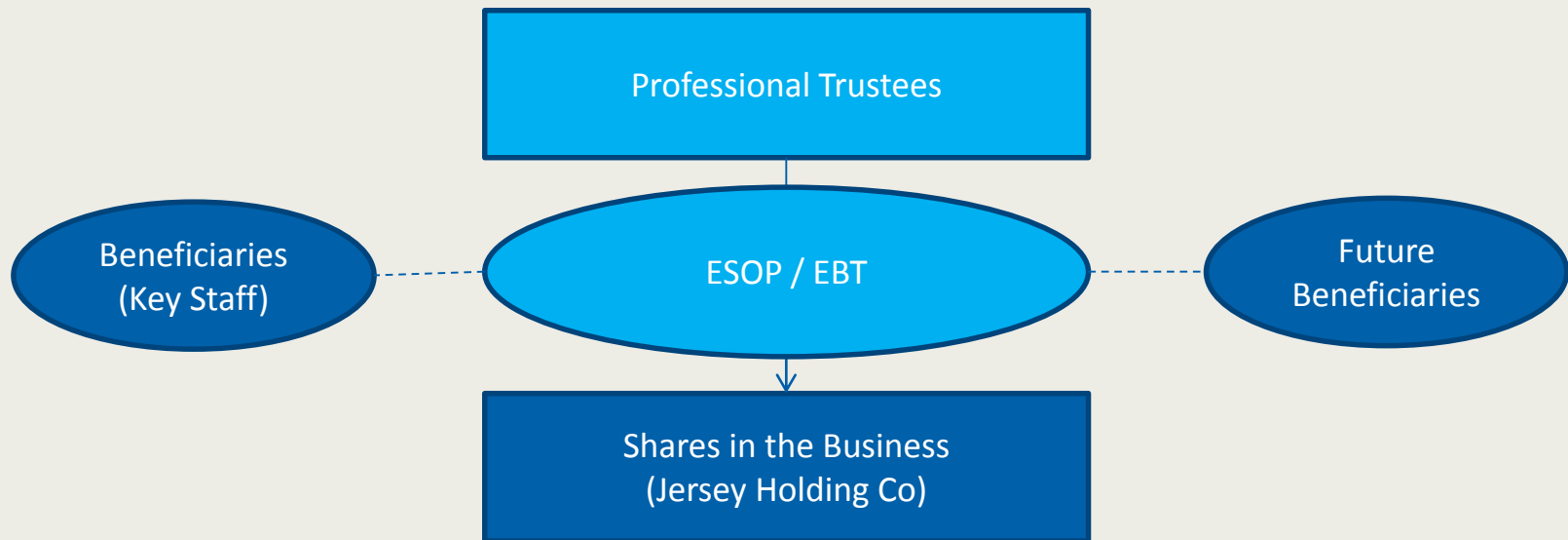


# Case Study



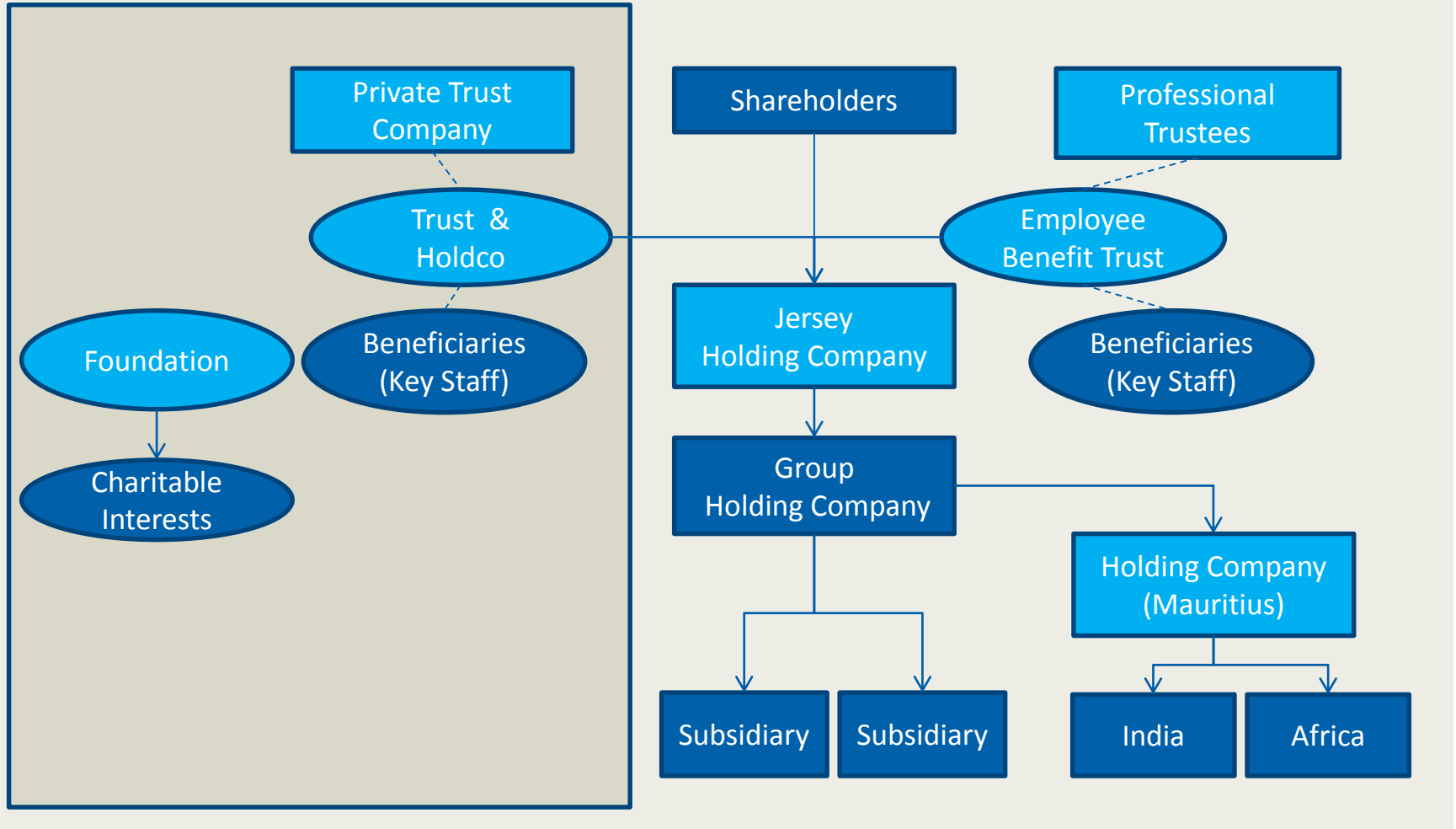
# Case Study

Pre-IPO





# Case Study



# Minerva in Asia

- In existence for over 35 years
- Strategically located offices in Jersey, London, Geneva, Dubai, Mauritius, Kenya, Singapore and Amsterdam
- Asian shareholders, present in Asia, regular visiting plan
- Track record – Transactions and IPOs on the London Main Market, AIM and ISDX in 2016
- Crowe Horwath business alliance member

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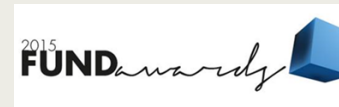


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# Thank You

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